

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

GEORGE TOWN ASSOCIATES S.A.,

Plaintiff,

v.

ABAKAN, INC. and MESOCOAT, INC.,

Defendants.

Case No. 15-cv-3435 (DLC)

**DECLARATION OF DOUGLAS GROSS  
IN SUPPORT OF GEORGE TOWN'S MOTION FOR TERMINATION OF  
RECEIVERSHIPS UPON APPROVAL OF SATISFACTION OF DEBT**

I, Douglas Gross, hereby declare under penalty of perjury as follows:

1. I am an attorney of Goetz Fitzpatrick LLP, counsel for Plaintiff George Town Associates S.A. ("George Town") in the above-referenced action. I make this declaration in support of George Town's Motion for Termination of Receiverships upon Approval of Satisfaction of Debt.

2. Attached hereto as **Exhibit A** is a true and correct copy of the final version of the Satisfaction and Assignment Agreement.

3. On October 6, 2015, I informed the Court, the parties, and all secured creditors of Abakan and MesoCoat that, upon the expiration of ten (10) days and subject to a valuation report demonstrating its fairness, George Town would request Mr. Seiden (as Receiver over Abakan and MesoCoat) execute a Satisfaction and Assignment Agreement extinguishing over \$5,000,000 in secured and senior unsecured debt of Abakan and MesoCoat owed to two judgment creditors: George Town and Sonoro Invest S.A. Notice and the terms of this proposed transaction were provided to all secured creditors of Abakan and MesoCoat. *See* Letter (Dkt. 157).

4. Attached hereto as **Exhibit B** is a true and correct copy of an independent valuation report for MesoCoat by Citrin Cooperman & Company, LLP that was procured by the Receiver and provided to George Town.

5. On or about October 2, 2015, I informed Mr. Steven Rosenfeld that George Town would seek to obtain a valuation report and suggested he do so as well.

6. To the best of my knowledge, no party to this case or interested non-party communicated with Citrin Cooperman & Company, LLP regarding the details of the independent valuation report or the Satisfaction and Assignment Agreement. Nor did George Town, or to the best of my knowledge Sonoro Invest S.A., take any part in the valuation process.

7. Attached hereto as **Exhibit C** is a true and correct copy of the Break Order issued by U.S. Magistrate Judge Jonathan Goodman in the action styled *George Town Associates S.A. v. Abakan, Inc. and MesoCoat, Inc.*, case number 15-mc-23445 (S.D. Fla.).

8. On November 3, 2015, I sent an email to counsel offering an opportunity to meet and confer on George Town's instant motion. I spoke to Mr. Aaronson on the telephone and assured him that George Town would not consummate its proposed transaction prior to the hearing scheduled before the Court on November 5, 2015, and making this instant motion seeking Court approval.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the foregoing is true and correct.

Executed on November 3, 2015

By:   
Douglas Gross